

#### Members

Sen. Patricia Miller, Chairperson  
Sen. Ryan Mishler  
Sen. Vaneta Becker  
Sen. Edward Charbonneau  
Sen. Beverly Gard  
Sen. Jean Leising  
Sen. Carlin Yoder  
Sen. Sue Errington  
Sen. Jean Breaux  
Sen. Earline Rogers  
Sen. Vi Simpson  
Rep. Charlie Brown, Vice-Chairperson  
Rep. Peggy Welch  
Rep. John Day  
Rep. Craig Fry  
Rep. Charles Moseley  
Rep. Win Moses  
Rep. Scott Reske  
Rep. Timothy Brown  
Rep. Richard Dodge  
Rep. David Frizzell  
Rep. Don Lehe  
Rep. Eric Turner



## HEALTH FINANCE COMMISSION

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Authority: IC 2-5-23

### MEETING MINUTES<sup>1</sup>

**Meeting Date:** October 19, 2009  
**Meeting Time:** 1:00 P.M.  
**Meeting Place:** State House, 200 W. Washington St., the Senate Chambers  
**Meeting City:** Indianapolis, Indiana  
**Meeting Number:** 4

**Members Present:** Sen. Patricia Miller, Chairperson; Sen. Ryan Mishler; Sen. Vaneta Becker; Sen. Edward Charbonneau; Sen. Jean Leising; Sen. Carlin Yoder; Sen. Sue Errington; Sen. Jean Breaux; Rep. Charlie Brown, Vice-Chairperson; Rep. Peggy Welch; Rep. John Day; Rep. Charles Moseley; Rep. Win Moses; Rep. Scott Reske; Rep. Timothy Brown; Rep. Richard Dodge; Rep. David Frizzell; Rep. Eric Turner.

**Members Absent:** Sen. Beverly Gard; Sen. Earline Rogers; Sen. Vi Simpson; Rep. Craig Fry; Rep. Don Lehe.

Chairperson Miller called the meeting to order at 1:07 p.m.

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<sup>1</sup> Exhibits and other materials referenced in these minutes can be obtained electronically by requesting copies at [licrequests@iga.in.gov](mailto:licrequests@iga.in.gov) Hard copies can be obtained in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for hard copies may be mailed to the Legislative Information Center, Legislative Services Agency, West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for hard copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.in.gov/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

### **Department of Insurance report on assignment of health insurance benefits**

Ms. Carol Cutter, Commissioner of the Department of Insurance (Department), stated that HEA 1300-2009 required the Department to collect information from both health care providers and health care insurers, conduct a study, and make actuarial determinations of the savings and costs of implementing direct reimbursement by insurers to out-of-network health care providers for health care services rendered to insured individuals. Ms. Cutter informed the Commission that the Department sent out a letter requesting certain information from both providers and insurers and requested that the data be submitted to the Department by August 24, 2009. Ms. Cutter stated that based on the data gathered, out-of-network utilization can be attributed to 25% of service provided statewide. Ms. Cutter further testified that regarding providers' bad debt which was reported at approximately \$3.2 million, 69% was from self-pay patients, 19% was from in-network patients, and 12% was from out-of-network patients. See Exhibit 1.

Ms. Cutter commented that the new notice requirements that insurers are required to include in material sent to insured individuals concerning payments started on October 1st, and she is waiting to see how the notice will impact and alleviate some of the concerns regarding reimbursement to out-of-network providers. Ms. Cutter informed the Commission that health insurers responded that dual signatures on a check would be more costly than direct reimbursement. Chairperson Miller asked the Commission members whether they would want the data collected by the Department with identifying material redacted. The Commission responded in the affirmative and Chairperson Miller requested Ms. Cutter to get this information to the members.

### **Self-directed care**

Ms. Faith Laird, Director of the Division of Aging, FSSA, acknowledged that it is difficult to access a list of self-directed care providers (the Area Agencies on Aging have a list) and stated that she is committed to rectifying this issue.

Ms. Karen Filler, Deputy Director in charge of the waiver program, FSSA, described attendant services as being services that help an individual in maintaining independent living and said that these services can be provided by an agency, an individual, or through self-directed care. See Exhibit 2. Ms. Filler stated that self-directed attendant care services are an option under the Aged and Disabled Medicaid waiver (Waiver) and the Community and Home Options to Institutional Care for the Elderly and Disabled (CHOICE) program that allows clients to direct their own care and serve as the direct employer for this care. Ms. Filler informed the Commission that attendant care services include personal care, nutrition, waste elimination, safety, bill paying, mobility assistance, and household tasks. Ms. Filler stated that attendant care providers may not perform medical procedures, including a full lift, or do household chores for other household members. See Exhibit 2 for reimbursement rates.

Ms. Karen Gilliland, Quality Assurance for FSSA, stated that she looks at incident reports, errors, and problems with claims. Ms. Gilliland testified that there have been nine investigations since April, 2009, under the self-directed care program, involving fraud on time worked, hospitalization of client because of deterioration that the attendant did not adequately oversee, and drug issues.

The Commission discussed general information concerning the CHOICE and Waiver programs. In response to a question from a Commission member, Ms. Filler reported that there is no waiting list for the Aged and Disabled Waiver, but that there is a waiting list for CHOICE.

Ms. Mary Ann Maroon, Indiana Association for Home and Hospice Care, informed the Commission that licensed home health agencies and personal services agencies are highly regulated and usually the preferred means for providing attendant care services. Ms. Maroon testified that her association's foundation has started an initiative to train new individuals in providing home health care services.

Ms. Nancy Griffin, Indiana Home Care Task Force, testified that she applauds FSSA's announcement that it will make a list of qualified attendant care workers available to everyone. Ms. Griffin testified that only 425 self directed care slots are available under the Waiver when there are 14,000 total Waiver slots, stating that this seems too restrictive. Ms. Griffin further stated that homemaker services (instead of just personal care services) should be allowed under the self-directed care program as well. Ms. Griffin further questioned why the self-directed care program is not available to paraplegics who can't stand, saying that lifting is a trainable task.

### **Preliminary Drafts and Final Report**

#### **PD 3206**

Senator Tallian presented PD 3206 concerning suspensions or terminations of police or fire department emergency medical services personnel. Senator Tallian informed the Commission that she worked on the draft with the Emergency Medical Services Commission, the Department of Homeland Security, and the firefighters union. Senator Tallian stated that she felt this draft allowed for the proper due process. Mr. Tom Hannify testified in support of the draft. Chairperson Miller informed the Commission that she would like to amend the draft to include language that would require a merit board that is hearing an appeal based on a health care decision to consult with an independent medical expert on the applicable emergency medical services protocol since the merit board does not have medical expertise. The Commission discussed the proposed amendment as well as the bill draft. The proposed amendment did not receive a motion. Upon proper motion on the proposed bill draft, the Commission voted 9 to 7, thus not meeting the required 12 votes to recommend the bill draft. See Exhibit 3.

#### **PD 3153**

Representative Welch presented PD 3153 which prohibits a health plan contract from including a provision that would require a contracted provider to accept more than a certain number of patients. Ms. Amy Flack testified that the proposed bill would give leverage to health care providers to address issues with insurers and asked for the Commission's support. Mr. Mike Rinebold, Indiana State Medical Association, testified that he supports the proposal in that it levels the playing field between health care providers and insurers, and informed the Commission that California has a law similar to this proposal. Ms. Anne Doran, America's Health Insurance Plans, opposes this proposal and stated that this bill would legalize discrimination against individuals in Indiana. Mr. Ripley, Indiana Chamber of Commerce, stated that he has concerns with the bill allowing discrimination as well. Representative Welch pledged to continue to work on the issue if the Commission recommended the proposed bill. Upon proper motion, the Commission voted 16 to 2 to recommend PD 3153. See Exhibit 4.

#### **Pdoc 1344**

Senator Becker presented Pdoc 1344 on nursing facility third party dispute resolution procedures. Mr. Eric Vermulen, Indiana Health Care Association (IHCA),

testified in support of the draft, saying that the issue is about fairness and the current system does not have the confidence of the provider community. Mr. Dennis Neary, IHCA, acknowledged that federal law requires the State Department of Health to have the final ruling, but also wants the proposal to address how the third party dispute resolution is paid for, saying that nursing facilities currently have to pay for this process and he hopes to be able to use other funds to pay for the process. Mr. Brian Carnes, Indiana State Department of Health, expressed concerns with the proposed bill, stating that there is already a third party dispute process in place that is working. Upon proper motion, the Commission voted 15 to 0 to recommend Pdoc 1344. See Exhibit 5.

#### Final Report

Upon proper motion and noting that staff would insert this meeting's actions into the final report, the Commission voted 15 to 0 to approve the final report. See Exhibit 6.

The meeting was adjourned at 3:35 p.m.